

**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
**MINUTES OF MEETING**  
**APRIL 5, 2001**

The Members of the Department of Financial Institutions met at 9:00 a.m., EST, at 402 West Washington Street, Room W-066, Indianapolis, Indiana, on Thursday, April 5, 2001. Members present were Norman L. Lowery, Chairman; Gary M. Smith, Vice Chairman; Tony Zaleski, Ronald E. Depasse, Loretta M. Burd and David D. Baer. Also present from the Department were Charles W. Phillips, Director; J. Philip Goddard, Chief Counsel, Deputy Director, Non-Depository Institutions and Secretary; James M. Cooper, Deputy Director, Depository Division; Kirk J. Schreiber, Senior Bank Analyst; Gina R. Williams, Senior Bank Analyst; Chuck T. Stumpf, Deputy Director, Administration Division; Chris McKay, Legal Assistant; Mark Moreland, Assistant Regional Field Supervisor and Ronda Bailey, Administrative Assistant. Kerry Spradlin was a visitor from the Indiana Bankers Association. Member James L. Saner was absent.

**I. PUBLIC SESSION**

**A.) Attendance**

**B.) Date of next meeting: May 10, 2001 @ 9:00 a.m.**

**C.) A motion was made for approval of the minutes of the meeting held on March 8, 2001 by Mr. Baer and was seconded by Mrs. Burd. The minutes were unanimously approved.**

**DIVISION OF BANK AND TRUST COMPANIES**

**1.) Ameriana Bank and Trust of Indiana, New Castle, Henry County, Indiana**

Senior Bank Analyst Kirk Schreiber presented the application. Ameriana Bank and Trust of Indiana ("Ameriana") headquartered in New Castle, Indiana has applied for approval of a charter conversion from a federally chartered savings bank to a state stock savings bank pursuant to IC 28-1-21.8. If the conversion is approved, the Department and the Federal Deposit Insurance Corporation will regulate Ameriana. The name of the converted institution will be Ameriana Bank and Trust, SB. There will be no change in the directors, officers, or operating personnel.

The Department conducted an examination of Ameriana, which commenced on February 26, 2001. The examination date was as of December 31, 2000. Examiners from the Federal Deposit Insurance Corporation also participated on the examination. As of December 31, 2000, Ameriana had total assets of \$557 million and total equity of \$42 million.

The results of the examination reveal the overall financial condition of Ameriana to be satisfactory. Ameriana's Tier 1 Leverage Capital Ratio as of December 31 was 7.60% and

Return on Average Assets was calculated to be approximately 0.72%. A review of Ameriana's assets revealed minimal asset quality problems in the loan portfolio with no credit quality concerns noted in the investment portfolio. The institution's liquidity was considered satisfactory and its interest rate risk moderate.

The Department also conducted a Depository Compliance Examination as of February 27, 2001. Results of the examination noted satisfactory compliance with the Indiana Uniform Consumer Credit Code and related federal statutes.

Ameriana is a wholly owned subsidiary of Ameriana Bancorp, which is also headquartered in New Castle, Indiana. The most recent Office of Thrift Supervision Holding Company Examination was conducted on November 22, 1999. The financial condition of Ameriana Bancorp was considered satisfactory.

IC 28-1-21.8-11 provides that the Department may approve the plan of charter conversion if it is determined:

1. The resulting stock savings bank will operate in a safe, sound, and prudent manner.
2. The proposed charter conversion will not result in a stock savings bank that has in a stock savings bank that has inadequate capital, unsatisfactory management, or poor earnings prospects.
3. The management or other principals are qualified by character and financial responsibility to control and operate in a legal and proper manner the resulting stock savings bank.
4. The interests of the depositors, creditors, and the public will not be jeopardized by the charter conversion.

The applicant is considered by the staff to meet these requirements and therefore the staff recommends the plan of charter conversion of Ameriana Bank and Trust of Indiana to a state-chartered stock savings bank be approved.

A motion for approval of the application was made by Mr. Smith and seconded by Mr. Depasse. **The application was unanimously approved.**

- 2.) **Old Kent Bank, National Association, Jonesville, Hillsdale County, Michigan (Application #1)**
- 3.) **Old Kent Bank, National Association, Jonesville, Hillsdale County, Michigan (Application #2)**
- 4.) **Old Kent Bank, National Association, Jonesville, Hillsdale County, Michigan (Application #3)**

Senior Bank Analyst Gina Williams presented the applications. Ms. Williams informed the Members that Fifth Third Bancorp, Cincinnati, Ohio consummated its acquisition of Old Kent Financial Corporation, Grand Rapids, MI on April 2, 2001. As a result of that transaction, Fifth Third Bancorp now owns three banks in Michigan with an extensive branching network in Indiana. Fifth Third Bancorp is proposing to restructure its organization in Indiana and Michigan whereby they will have one bank charter in Michigan and once again a bank charter in Indiana. Each will have branches that Fifth Third believes will more effectively serve its customers.

The Members are being asked to approve three applications that will accomplish this. The applications are being discussed concurrently because they are interrelated; however, the Members will need to vote on each application separately.

#### **Application #1**

Ms. Williams directed the Members to Exhibit A in their outline, which detailed each step of the proposed transaction graphically. Application #1 is the conversion of Old Kent Bank, National Association, headquartered in Jonesville, MI to an Indiana chartered commercial bank headquartered at 251 N. Illinois Street, Indianapolis, Indiana. IC 28-3-2-1 and Section 214a of the National Bank Act permit the conversion of a national bank to a state-chartered bank. The name of the converted institution will be Fifth Third Bank, Indiana.

At this step, the converted institution has \$140 million in assets, 2 branches in Michigan and 1 branch located in Angola, Indiana which opened in 1998.

#### **Application #2**

Fifth Third Bank, Indiana, headquartered in St. Joseph, MI will merge into the newly converted Fifth Third Bank, Indiana headquartered in Indianapolis. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 and IC 28-2-17 permit this interstate merger transaction. As of 12/31/00, the Michigan chartered bank had \$10.4 billion in assets.

At this step, the converted institution has branches in Indiana and Michigan and now some in Illinois and Kentucky. This transaction is reflected on page 15 of the outline.

#### **Application #3**

The third application is a request for Fifth Third Bank, Indiana, after the conversion and merger, to acquire certain Indiana branches of Old Kent Bank, Grand Rapids, MI pursuant to IC 28-2-13. This is reflected on page 16 and a list of those branches that will be acquired is detailed in Exhibit B beginning page 18 of the outline. These branches are located in the

north east corner of the state which Old Kent Bank acquired when Home Loan Bank, Fort Wayne was merged into it October of 2000. The transaction consists of approximately \$330 million in assets that will be acquired.

Ms. Williams informed the Members that transaction could be approved under delegated authority but since it is part of the whole reorganization, it is being brought before the Members for their consideration.

#### **Application #4**

The last transaction is the sale of certain branches by Fifth Third Bank, Indiana to Old Kent Bank, Grand Rapids, MI. This consists of all of it's Michigan branches and those branches located in the northwest part of the state and up by the Chicago area. This transaction consists of about \$2.5 billion in assets which will be transferred to Old Kent Bank. This is reflected on page 17 and a list of the branch locations that are to be sold is detailed in Exhibit C beginning on page 19. (This list will be included in the official minutes of the Members to serve as notification of branches that the Indiana bank will be closing.)

This step does not require the Members approval but is included because it is part of the whole reorganization.

Ms. Williams told the Members that listed in Exhibit D beginning on page 23 are all of the branches that Fifth Third Bank, Indiana will have after all 4 of the transactions are consummated.

Pro forma financial statements show the resulting state chartered commercial bank will have total assets of \$8.2 billion, total deposits of \$5.1 billion, and equity capital of \$672 million. It will have 147 branches extending throughout Indiana, portions of southern Illinois, and Kentucky near Evansville, IN.

Mike Alley will be President and CEO of the institution. Mr. Alley was President and CEO of the Fifth Third Bank, Indiana when it was headquartered in Indiana prior to its merger into Civitas Bank. Page 5 and 6 of the outline lists the proposed directors and executive officers of the bank.

As a state member bank, the Department and the Federal Reserve Bank of Chicago will examine the resulting bank.

A majority of the assets, \$7.8 billion, of the Indiana bank will be from Fifth Third Bank, Indiana, headquartered in St. Joseph, MI. The Federal Reserve Bank of Chicago and the Michigan Department of Financial Institutions conducted a Joint Report of Examination on September 25, 2000 utilizing financial data as of June 30, 2000. The overall financial condition of the bank was considered satisfactory. Capital and interest rate risk was at acceptable levels, earnings were strong, and adequate sources of liquidity were maintained. The bank's Tier 1 Leverage Capital ratio as of December 31, 2000 was 8.41% and return on

average assets was 1.38%.

Ms. Williams explained that Fifth Third Bank, Indiana, St. Joseph, MI acquired many of its assets and branches in Indiana due to the mergers of the subsidiary banks of CNB Bancshares, Inc., Evansville, Indiana into it in December 1998. These banks included Citizens National Bank of Evansville, Evansville, Indiana; Citizens Bank of Central Indiana, Greenwood, Indiana; Citizens Bank of Western Indiana, Terre Haute, Indiana; and Citizens Bank of Southern Indiana, Tell City, Indiana. Also merged into it was Citizens Bank of Kentucky, Madisonville, Kentucky and Citizens Bank of Illinois, NA, Mount Vernon, Illinois.

Also, four months prior to Fifth Third Bank, Indiana merging into Civitas Bank, Peoples Bank and Trust Company Indianapolis, Indiana merged into Fifth Third Bank, Indiana.

Ms. Williams informed the Members that prior to the acquisition of Old Kent Financial Corporation, Fifth Third Bancorp owned five commercial banks with principal offices located in Ohio, Florida, Kentucky, and Michigan, and one federal savings bank headquartered in Arizona. As of December 31, 2000, consolidated assets totaled \$45.8 billion, deposits totaled \$30.9 billion, and equity totaled \$4.9 billion. Its tier 1 leverage capital ratio was 10.48%. Fifth Third Bancorp's common stock traded on the Nasdaq National Market under the symbol "FITB".

Pro forma consolidated balance sheet after the acquisition of Old Kent Financial Corporation reflect Fifth Third Bancorp will have total assets of \$67.9 billion, total deposits of \$43.1 billion and equity of \$5.8 billion.

The Federal Reserve Bank of Cleveland conducted a joint combined report of bank holding company inspection and commercial bank examination of Fifth Third Bancorp and its lead bank subsidiary, Fifth Third Bank, Cincinnati, Ohio. It commenced on March 20, 2000, and utilized financial data as of December 31, 1999. Based on the findings of the inspection and bank examination, Fifth Third Bancorp received a Satisfactory BOPEC rating and the bank received a Satisfactory CAMELS rating.

Ms. Williams also informed the Members that the Office of the Comptroller of the Currency conducted a Safety and Soundness examination of Old Kent Bank, National Association as of September 30, 2000. The overall condition of the bank was considered sound. As of December 31, 2000, it had total assets of \$141 million, total deposits of \$121 million, and equity of \$14 million. The tier 1 leverage ratio was 10.24% and return on assets was 1.73%.

The Federal Reserve Bank is expected to act on the applications no later than May 12, 2001.

Based on the findings of the investigation by the staff, it is recommended Members approve the following applications: 1) Old Kent Bank, National Association, Jonesville, Michigan

conversion to an Indiana commercial bank to be known as Fifth Third Bank, Indiana; 2) the merger of Fifth Third Bank, St. Joseph, Michigan with and into Old Kent Bank, National

Association after its conversion to an Indiana chartered institution; and 3) after the conversion and merger, the establishment of branch offices in Indiana pursuant to a purchase and assumption agreement.

After a brief discussion, a motion for approval of the conversion application was made by Mrs. Burd and seconded by Mr. Zaleski. **The application was unanimously approved.**

A motion for approval of the merger application was made by Mr. Baer and seconded by Mrs. Burd. **The application was unanimously approved.**

A motion for approval of the branch application was made by Mr. Smith and seconded by Mr. Baer. **The application was unanimously approved.**

### **DIRECTOR'S COMMENTS AND REQUESTS**

- A.) Deputy Director James Cooper asked the Members to approve the Recommended Final Order to be issued to five (5) non-banking incorporated entities containing the work "bank" in their name. A motion was made by Mr. Depasse and was seconded by Mrs. Burd. **The request was unanimously approved.**
- B.) **Irwin Union Bank and Trust Company, Columbus, Bartholomew County, Indiana**  
On February 28, 2001, Irwin Union Bank and Trust Company notified the Department of its intent to form a qualifying subsidiary pursuant to IC 28-13-16. The name of the proposed subsidiary will be Irwin Capital Holdings Corporation. **This item was for informational purposes only.**
- C.) **Regional Bank, New Albany, Floyd County, Indiana**  
On March 19, 2001, Regional Bank notified the Department of its intent to establish a wholly owned subsidiary pursuant to IC 28-13-16. The name of the proposed subsidiary will be Regional Investment Company, Ltd. **This item was for informational purposes only.**
- D.) Phil Goddard gave a brief update on the bills that have been of interest to the department and presently pending in the legislature. Specifically, SB 345 and HB 1705 are two bills the department drafted dealing with various issues of consumer licensing and sundry banking matters that have both passed their respective houses of origin and are now awaiting final vote in their second house before going to the Governor's office for signature. **This item was for informational purposes only.**
- E.) Director Phillips will advise the Members of actions taken pursuant to Delegated Authority. Mr. Phillips asked for any questions or clarifications of the actions, which are as follows:

**DIVISION OF BANK AND TRUST COMPANIES**

**1.) FREEDOM BANK, HUNTINGBURG, DUBOIS COUNTY, INDIANA**

The bank has applied to the Department for approval to establish a branch banking office to be located at **75 U.S. 231 South, Jasper, Dubois County, Indiana**. The branch is to be known as **Freedom Bank**. The bank is proposing to construct a 4,100 square branch. The bank purchased the land from an independent third party for \$110M. The estimated cost for construction of the building is projected at \$647M and furniture, fixtures, and equipment is projected at \$185M. The company contracted to construct the branch is an interest of a director. The bank conducted a sealed bid process with the lowest bidder selected. Based on the process used by the bank to award the bid, the transaction is considered to have been negotiated at arms-length. This bank commenced operations on November 22, 1999. The bank's performance has exceeded original projections. For the first full year of operations, the bank reported net income of \$325M compared to a projected net loss of \$226M for year one and a net loss of \$357M for year two. The 2001 budget projects net income of \$460M. This includes the costs associated with this branch. The bank's total assets for 14 months of operations are almost at the level projected for year 3 submitted in the application. The de novo application submitted for the formation projected the opening of a branch to be located in Jasper approximately 12 months after the bank opens for business. The submission of this branch application is consistent with the organizers original business plan submitted in the application. As of December 31, 2000, the bank's ROA is 0.72% and its Tier 1 leverage capital ratio is 15.23%. The budget for 2001, including the costs associated with this branch, projects net income of \$460M resulting in an ROA of 0.69%. The investment in total fixed assets to total capital will be 24.71% after the establishment of the branch. This will be the institution's second branch. **The Director approved this on March 12, 2001, under Delegated Authority.**

**2.) INDIANA TRUST & INVESTMENT MANAGEMENT, INC., MISHAWAKA, ST. JOSEPH COUNTY, INDIANA**

The corporate fiduciary has applied to the Department for approval to establish a trust office to be located at **317 West Adams, Muncie, Delaware County, Indiana**. The application was received on February 12, 2001. No insider relationship exists between any insiders of the corporate fiduciary and any of the parties involved. The proposed office will be a 4,000 square foot office building in downtown Muncie. The entire building will be occupied by the corporate fiduciary. Five of the seven individuals currently staffing the Anderson office will move to the Muncie office to fully staff the new location. Operations and investment support will be provided from the Mishawaka office. The corporate fiduciary will lease the space from an independent third party, with an annual rental of \$64M for the first year rising to \$70M in the seventh year and \$73M in the tenth year. The terms of the lease call for monthly rental for seven years plus an option to renew for one extension of three years. Furniture, fixtures and equipment costs are approximated at \$70M. As of December 31, 2000, the corporate fiduciary had assets under administration of \$560 million and equity capital of \$1,518M. This will be the institution's third office. **The Director approved this on March 12, 2001, under Delegated Authority.**

3.) **IRWIN UNION BANK AND TRUST COMPANY, COLUMBUS, BARTHOLOMEW COUNTY, INDIANA**

The bank has applied to the Department for permission to amend Article V of its Articles of Incorporation. The amendment creates a separate class of common stock that tracks the commercial bank business line to be called "Commercial Bank Line" or "CBL" common stock in order to give keys executives in the commercial line of business an opportunity to obtain equity ownership. The executive officers of the bank will not own more than 9.99% of the CBL common stock, which the officers will obtain through grants or stock options. The parent bank holding company Irwin Financial Corporation, Columbus, Bartholomew County, Indiana will hold the existing common stock and the CBL common stock in the bank. Additionally, the amendment creates preferred stock as a means for the parent holding company to account for its investments in the bank. The Board of Directors of the bank approved the amendments to the articles of incorporation on February 20, 2001. The shareholders approved the amendments of the articles of incorporation on March 1, 2001. **The Director approved this on March 29, 2001, under Delegated Authority.**

**DIVISION OF CREDIT UNIONS**

1.) **TECH CREDIT UNION, CROWN POINT, LAKE COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Bob Pfister – Auto Broker – Crown Point – 12 members (common bond of occupation as defined by 28-7-1-10)

The Johnson Group, Inc. – Merrillville – 10 members (common bond of occupation as defined by 28-7-1-10)

Lake County Association for the Retarded, Inc. – Gary – 377 members (common bond of occupation as defined by 28-7-1-10)

**The Director approved this on March 5, 2001, under Delegated Authority.**

2.) **FORUM CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

American Nursing Care – Indianapolis – 60 members (common bond of occupation as defined by 28-7-1-10)

American Document Management – Indianapolis – 100 members (common bond of occupation as defined by 28-7-1-10)



Broad Ripple Kindergarten & Preschool – Indianapolis – 30 members (common bond of occupation as defined by 28-7-1-10)

Indiana Metal Fabricating, Inc. – Indianapolis – 7 members (common bond of occupation as defined by 28-7-1-10)

Christian Missionary Fellowship – Indianapolis – 141 members (common bond of occupation as defined by 28-7-1-10)

State Lottery Commission of Indiana – Indianapolis – 215 members (common bond of occupation as defined by 28-7-1-10)

Pinkerton Security Services – Indianapolis – 1,200 members (common bond of occupation as defined by 28-7-1-10)

Levinson Restaurant Corporation – Indianapolis – 1,000 members (common bond of occupation as defined by 28-7-1-10)

**The Director approved this on March 5, 2001, under Delegated Authority.**

**3.) TEACHERS CREDIT UNION, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Vanderheyden Eavestrough, Inc. – South Bend – 7 members (common bond of occupation as defined by 28-7-1-10)

Sara, Inc./dba US Tobacco – South Bend – 10 members (common bond of occupation as defined by 28-7-1-10)

Jarrett Construction – Goshen – 1 member (common bond of occupation as defined by 28-7-1-10)

Bellman Oil Company, Inc. – Bremen – 65 members (common bond of occupation as defined by 28-7-1-10)

Leone, Halpin & Konopinski - South Bend – 3 members (common bond of occupation as defined by 28-7-1-10)

Payne Ventures Limited – Walkerton – 28 members (common bond of occupation as defined by 28-7-1-10)

Twin Maple Tool Shop, Inc. – Walkerton – 14 members (common bond of occupation as defined by 28-7-1-10)

Big Rol Trucking, Inc. – Indianapolis – 1 member (common bond of occupation as defined by 28-7-1-10)

Putnam County Church of Christ – Greencastle – 18 members (common bond of church membership as defined by 28-7-1-10)

Yormark Global Medical Insurance, Inc. – South Bend – 1 member (common bond of occupation as defined by 28-7-1-10)

Luigi's Pizza, Inc. – Mishawaka – 5 members (common bond of occupation as defined by 28-7-1-10)

John Rayburn Ministries – Granger – 5 members (common bond of occupation as defined by

28-7-1-10)

J. K. Rayburn Co., Inc. – Granger – 5 members (common bond of occupation as defined by 28-7-1-10)

Time Systems, Inc. – South Bend – 234 members (common bond of occupation as defined by 28-7-1-10)

Kirk Chevrolet-Pontiac – Goshen – 37 members (common bond of occupation as defined by 28-7-1-10)

Acterna Corporation – Indianapolis – 755 members (common bond of occupation as defined by 28-7-1-10)

Designer Renovations, Inc. – South Bend – 2 members (common bond of occupation as defined by 28-7-1-10)

**The Director approved this on March 5, 2001, under Delegated Authority.**

**4.) NATCO CREDIT UNION, RICHMOND, WAYNE COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would remove archaic language from the credit union's qualifications for membership section.

**The Director approved this on March 15, 2001, under Delegated Authority.**

**5.) HOOSIER HILLS CREDIT UNION, BEDFORD, LAWRENCE COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Johnny Hall-Mar, Inc. – Orleans – 6 members (common bond of occupation as defined by 28-7-1-10)

Baker Oil Company – Orleans – 6 members (common bond of occupation as defined by 28-7-1-10)

Baker Trucking, Inc. – Orleans – 6 members (common bond of occupation as defined by 28-7-1-10)

**The Director approved this on March 15, 2001, under Delegated Authority.**

**6.) INDIANA MEMBERS CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a

credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Christ Lutheran Church of Irvington – Indianapolis – 250 members (common bond of church membership as defined by 28-7-1-10)

Circle M Construction, Inc. – Greenfield – 10 members (common bond of occupation as defined by 28-7-1-10)

Double H Property Management – Danville – 8 members (common bond of occupation as defined by 28-7-1-10)

Engledow Group – Carmel – 300 members (common bond of occupation as defined by 28-7-1-10)

G. Marlow & Associates, Inc. - Indianapolis – 16 members (common bond of occupation as defined by 28-7-1-10)

PacWest Racing Group – Indianapolis – 95 members (common bond of occupation as defined by 28-7-1-10)

Prima Publishing – Indianapolis – 35 members (common bond of occupation as defined by 28-7-1-10)

Ramada Inn (Indianapolis Airport) – Indianapolis – 85 members (common bond of occupation as defined by 28-7-1-10)

Separators, Inc. – Indianapolis – 33 members (common bond of occupation as defined by 28-7-1-10)

S-K General Contracting Company, Inc. – Indianapolis – 30 members (common bond of occupation as defined by 28-7-1-10)

Suburban Steel Supply Company, LP – Indianapolis – 21 members (common bond of occupation as defined by 28-7-1-10)

**The Director approved this on March 15, 2001, under Delegated Authority.**

**7.) FORUM CREDIT UNION, INDIANAPOLIS, MARION COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

ACE Rent A Car, Inc. – Indianapolis – 200 members (common bond of occupation as defined by 28-7-1-10)

Cavinder Elevators, Inc. – Beech Grove – 12 members (common bond of occupation as defined by 28-7-1-10)

Framing Excellence, Inc. – Indianapolis – 6 members (common bond of occupation as defined by 28-7-1-10)

Best Western-South – Indianapolis – 17 members (common bond of occupation as defined by 28-7-1-10)

Drake-Beam-Morin – Indianapolis – 6 members (common bond of occupation as defined by 28-7-1-10)

The Sport Zone – Indianapolis – 40 members (common bond of occupation as defined by 28-7-1-10)

Custom Edge – Indianapolis – 220 members (common bond of occupation as defined by 28-7-1-10)

Cin-Caro Manufacturing – Indianapolis – 7 members (common bond of occupation as defined by 28-7-1-10)

T.J. Carroll Enterprises, Inc. – Indianapolis – 1 member (common bond of occupation as defined by 28-7-1-10)

HOMExperts, by Owens Corning – Indianapolis – 8 members (common bond of occupation as defined by 28-7-1-10)

Safeco Property & Casualty Insurance Companies – Indianapolis – 1,160 members (common bond of occupation as defined by 28-7-1-10)

Systec Conveyors – Indianapolis – 74 members (common bond of occupation as defined by 28-7-1-10)

BBCM Asset Management Company – Muncie – 2 members (common bond of occupation as defined by 28-7-1-10)

**The Director approved this on March 21, 2001, under Delegated Authority.**

**8.) TEACHERS CREDIT UNION, SOUTH BEND, ST. JOSEPH COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

State Wide Aluminum – Elkhart – 175 members (common bond of occupation as defined by 28-7-1-10)

CMO Real Estate – Indianapolis – 2 members (common bond of occupation as defined by 28-7-1-10)

Parker Engineered Seals – Goshen & Syracuse – 1,331 members (common bond of occupation as defined by 28-7-1-10)

Fitness Forum Nautilus, Inc. – Plymouth – 19 members (common bond of occupation as defined by 28-7-1-10)

MJB Lawncare, Inc. – Chesterton – 5 members (common bond of occupation as defined by 28-7-1-10)

Divine Community Ministries, Inc. – Indianapolis – 4 members (common bond of occupation as defined by 28-7-1-10)

Rexam Beverage Can – Valparaiso – 180 members (common bond of occupation as defined by 28-7-1-10)

Old Order Amish Church – Rochester – 50 members (common bond of church membership as defined by 28-7-1-10)

Team Excavating, Inc. – Granger – 4 members (common bond of occupation as defined by

28-7-1-10)

The Woodwind and Brasswind – South Bend – 200 members (common bond of occupation as defined by 28-7-1-10)

Apostolic House of Deliverance Church – South Bend – 60 members (common bond of

church membership as defined by 28-7-1-10)

Tenneco Automotive, Walker Manufacturing – Elkhart – 70 members (common bond of occupation as defined by 28-7-1-10)

Reese Products, Inc. – Elkhart – 450 members (common bond of occupation as defined by 28-7-1-10)

Clean Seal, Inc. – South Bend – 83 members (common bond of occupation as defined by 28-7-1-10)

Neighbor Care – South Bend – 55 members (common bond of occupation as defined by 28-7-1-10)

Midwest CATV Engineering, Inc. – Mishawaka – 21 members (common bond of occupation as defined by 28-7-1-10)

A E Techron, Inc. – Elkhart – 6 members (common bond of occupation as defined by 28-7-1-10)

K Construction – Indianapolis – 2 members (common bond of occupation as defined by 28-7-1-10)

People's Choice Enterprises – South Bend – 12 members (common bond of occupation as defined by 28-7-1-10)

Rare Earth – Walkerton – 2 members (common bond of occupation as defined by 28-7-1-10)

Clark-O'Neal Funeral Home, Inc. – South Bend – 6 members (common bond of employment as defined by 28-7-1-10)

The Troyer Group, Inc. – Mishawaka – 125 members (common bond of employment as defined by 28-7-1-10)

Olive Branch Church of God – Roann – 400 members (common bond of church membership as defined by 28-7-1-10)

Paid Employees of El Buen Vecino – South Bend – 11 members (common bond of occupation as defined by 28-7-1-10)

**The Director approved this on March 26, 2001, under Delegated Authority.**

**9.) HOOSIER HILLS CREDIT UNION, BEDFORD, LAWRENCE COUNTY, INDIANA**

The credit union has filed a request for approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. Pursuant to IC 28-7-1-10 (which allows a credit union to add one or more qualified groups to its field of membership) this amendment would place the following organizations into the field of membership of the credit union:

Tomey Farms – Bedford – 2 members (common bond of occupation as defined by 28-7-1-10)

Schnaible Service & Supply Company, Inc. – Bloomington – 32 members (common bond of occupation as defined by 28-7-1-10)

**The Director approved this on March 26, 2001, under Delegated Authority.**

**CONSUMER CREDIT DIVISION**

- 1.) American Fidelity, Inc. is requesting a consumer loan license. Applicant is based in Baton Rouge, LA. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed at title companies. They currently operate in 25 states. Applicant is recommended for approval. **The Director approved this on March 13, 2001, under Delegated Authority.**
- 2.) Ameritrust Mortgage Corp d/b/a American Money Company is requesting a consumer loan license. Applicant is based in Charlotte, NC. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by title companies. They currently operate in North Carolina. Applicant is recommended for approval. **The Director approved this on March 13, 2001, under Delegated Authority.**
- 3.) Impac Funding Corporation is requesting a consumer loan license. Applicant is based in Newport Beach, CA. They will be making second mortgage loans. They will be servicing their loans. Loans will be closed by title companies. They currently operate in 24 states. Applicant is recommended for approval. **The Director approved this on March 13, 2001, under Delegated Authority.**
- 4.) InterBay Funding, LLC is requesting a consumer loan license. Applicant is based in Miami, FL. They will be making second mortgage loans. They will be servicing their loans. Loans will be closed by title companies. They currently operate in 46 states. Applicant is recommended for approval. **The Director approved this on March 13, 2001, under Delegated Authority.**
- 5.) Nation's Standard Mortgage Corporation is requesting a consumer loan license. Applicant is based in Tarrytown, NY. They will be making second mortgage loans. They will not be servicing their loans. Loans will be closed by title companies. They currently operate in 27 states. Applicant is recommended for approval. **The Director approved this on March 13, 2001, under Delegated Authority.**
- 6.) Howard McKown d/b/a Bob's Trading Post is requesting a pawnbroker license. Applicant is based in Kokomo, IN. Mr. McKown has been licensed as a PB under a separate license #7676 since 7/99. Exams have been satisfactory. References are satisfactory. Applicant is recommended for approval. **The Director approved this on March 13, 2001, under Delegated Authority.**
- 7.) Speedy Pawn, Inc. is requesting a pawnbroker license. Applicant is based in Kokomo, IN. All references were satisfactory. Mr. Michael Schmidt as sole officer of this new corporation is taking over the existing pawn business known as Speedy Pawn, Inc #7676. Applicant is recommended for approval. **The Director approved this on March 13, 2001, under Delegated Authority.**

- 8.) D-Flawless, Inc. d/b/a Worldwide Pawn is requesting a pawnbroker license. Applicant is based in South Bend, IN. The manager has experience in pawnbroking. All references were satisfactory. Satisfactory comments were received from South Bend and Roseland police agencies. Division Supervisor Tarpey and Field Supervisor Benbow interviewed both the president of the corporation, Frank Massa, and the manager, Mr. Roy Miltenberger. Applicant is taking over a pawnshop whose PB license was revoked, Roseland Money Factory. There was extensive discussion related to compliance with all state and local statutes/ordinances. Mr. Massa and Mr. Miltenberger were made aware of DFI concerns. Applicant is recommended for approval. **The Director approved this on March 13, 2001, under Delegated Authority.**
- 9.) Premier Auto Pawn, Inc. is requesting a pawnbroker license. Applicant is based in Fort Wayne, IN. All references were satisfactory. The principals are currently registered with DFI for the sale and financing of used autos. Exams have been satisfactory. Field Supervisor Benbow and Division Supervisor Tarpey interviewed the officers of the corporate applicant. Applicant was made aware of all substantive provisions of the Pawnbroker Act and appear willing/able to fully comply. Applicant understands that the pawning of an automobile requires that the pawnbroker retain possession of the car. The pawnbroker is also responsible for securing and maintaining the vehicle in the same condition that it was received from the customer. Applicant is recommended for approval. **The Director approved this on March 13, 2001, under Delegated Authority.**
- 10.) Intercambio Express Inc. is requesting a money transmitter license. Applicant is based in Goshen, IN and plans to have up to four agents in Indiana. Money will be transmitted by wire transfers to Mexico. Audited statements were satisfactory in terms of capital and liquidity. Applicant is recommended for approval. **The Director approved this on March 13, 2001, under Delegated Authority.**
- 11.) Order Express, Inc. is requesting a money transmitter license. Applicant is based in Hillsboro, OR. Proposed number of agents in Indiana is unknown, but company will concentrate on central and northern Indiana. Money will be transmitted by wire transfers to Mexico. Capital and liquidity were satisfactory. They currently operate in 26 states. Applicant is recommended for approval. **The Director approved this on March 13, 2001, under Delegated Authority.**
- 12.) Beacon Industries is requesting approval as third party administrator for a Guaranteed Auto Protection (GAP) Program. Applicant is based at Lee's Summit, MO. The maximum cost to the customers is \$420. 30-day free-look. Refund upon prepayment based on "Rule of 78<sup>th</sup>s". Customer deductible is covered up to \$1,000. GAP coverage will be written only if customer is financing more than 90% of MSRP. They currently operate in 20 states. There is a contractual liability policy issued by Hartford Insurance. The initial dealer requesting approval is Star Chrysler. All future dealers will agree to abide by the same terms as those approved. Approval is subject to review at a future date as deemed necessary by the

Department. It is recommended that the program be approved as submitted and subject to the above conditions. This is provided for under IC 24-4.5-2-202 (1)(c). **The Director approved this on March 13, 2001, under Delegated Authority, subject to a future date as deemed necessary by the Department.**

There being no further business to come before the Members, a motion to adjourn the meeting was made by Mr. Baer and seconded by Mr. Smith. The motion was unanimously approved.

**APPROVED:**

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**Norman L. Lowery, Chairman**

**ATTEST:**

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**J. Philip Goddard, Secretary**